

- c. 447.253 (b) (1) (ii) (C) - The payment rates are adequate to assure that recipients have reasonable access, taking into account geographic location and reasonable travel time, to inpatient hospital services of adequate quality. _____
4. 447.253 (b) (2) - The proposed payment rate will not exceed the upper payment limits as specified in 42 CFR 447.272:
- a. 447.272 (a) - Aggregate payments made to each group of health care facilities (hospitals, nursing facilities, and ICFs/MR) will not exceed the amount that can reasonably be estimated would have been paid for those services under Medicare payment principles. _____
- b. 447.272 (b) - Aggregate payments to each group of State-operated facilities (that is, hospitals, nursing facilities, and ICFs/MR) - - when considered separately - - will not exceed the amount that can reasonably be estimated would have been paid for under Medicare payment principles. _____
- If there are no State-operated facilities, please indicate "not applicable." _____
- c. 447.272 (c) - Aggregate disproportionate share hospital (DSH) payments do not exceed the DSH payment limits at 42CFR 447.296 through 447.299.
- d. Section 1923 (g) _ DSH payments to individual providers will not exceed the hospital-specific DSH limits in section 1923(g) of the Act. _____

B. State Assurances. The State makes the following additional assurances:

1. For hospitals - -
- a. 447.253 (c) - In determining payment when there has been a sale or transfer of the assets of a hospital, the State's methods and standards provide that payment rates can reasonably be expected not to increase in the aggregate solely as a result of changes of ownership, more than payments would increase under Medicare under 42 CFR 413.130, 413.134, 413.153 and 413.157 insofar as these sections affect payment for depreciation, interest on capital -indebtedness, return on equity)if applicable), acquisition costs for which payments were previously made to prior owners, and the recapture of depreciation.

3. 447.253 (e) - The State provides for an appeals or exception procedure that allows individual providers an opportunity to submit additional evidence and receive prompt administrative review, with respect to such issues as the State determines appropriate, of payment rates.
4. 447.253 (f) - The State requires the filing of uniform cost reports by each participating provider.
5. 447.253 (g) - The State provides for periodic audits of the financial and statistical records of participating providers.
6. 447.253 (h) - The State has complied with the public notice requirements of 42 CFR 447.205.

Notice published on:

August 1, 1996

If no date is shown, please explain:

7. 447.253 (i) - The State pays for inpatient hospital services using rates determined in accordance with the methods and standards specified in the approved State plan.

C. Related Information

1. 447.255 (a) - NOTE: If this plan amendment affects more than one type of provider (e.g., hospital, NF, and ICF/MR; or DSH payments) provide the following rate information for each provider type, or the DSH payments. You may attach supplemental pages as necessary.

Provider Type: Hospital

For hospitals: The Missouri Hospital Plan includes DSH payments in the estimated average rates. However, the DSH payments included in the estimated average rates do not represent the total DSH payments made to hospitals under the Missouri Medicaid Plan.

RH-DSH included

Efb

AUG 02 1996

App DEC 26 1996

Estimated average proposed payment rate as a result of this amendment:
\$640.36

Average payment rate in effect for the immediately preceding rate period:
\$640.36

Amount of change: \$0.00 Percent of change: 0.00%

2. 447.255 (b) - Provide an estimate of the short-term and, to the extent feasible, long-term effect the change in the estimated average rate will have on:
- (a) The availability of services on a statewide and geographic area basis:
This amendment will not effect the availability of short-term or long-term services.
 - (b) The type of care furnished: This amendment will not effect hospital services furnished to Medicaid eligibles.
 - (c) The extent of provider participation: This amendment will assure recipients have reasonable access taking into account geographic location and reasonable travel time to inpatient hospital services.
 - (d) For hospitals - - the degree to which costs are covered in hospitals that serve a disproportionate number of low income patients with special needs:
It is estimated that disproportionate share hospitals will receive 100% of its Medicaid cost for low income patients with special needs.

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AUG 02 1996

App DEC 26 1996

**INSTITUTIONAL STATE PLAN AMENDMENT
ASSURANCE AND FINDING CERTIFICATION STATEMENT**

STATE: Missouri

TN - 96-12

REIMBURSEMENT TYPE: Inpatient hospital X

PROPOSED EFFECTIVE DATE: May 30, 1996

A. State Assurances and Findings. The State assures that it has made the following findings:

1. 447.253 (b) (1) (i) - The State pays for inpatient hospital services through the use of rates that are reasonable and adequate to meet the costs that must be incurred by efficiently and economically operated providers to provide services in conformity with applicable State and Federal laws, regulations, and quality and safety standards. _____
2. With respect to inpatient hospital services --
 - a. 447.253 (b) (1) (ii) (A) - The methods and standards used to determine payment rates take into account the situation of hospitals which serve a disproportionate number of low income patients with special needs. _____
 - b. 447.253 (b) (1) (ii) (B) - If a state elects in its State plan to cover inappropriate level of care services (that is, services furnished to hospital inpatients who require a lower covered level of care such as skilled nursing services or intermediate care services) under conditions similar to those described in section 1861 (v) (1) (G) of the Act, the methods and standards used to determine payment rates must specify that the payments for this type of care must be made at rates lower than those for inpatient hospital level of care services, reflecting the level of care actually received, in a manner consistent with section 1861 (v) (1) (G) of the Act. _____

If the answer is "not applicable," please indicate:

ECF MAY 30 1996

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- c. 447.253 (b) (1) (ii) (C) - The payment rates are adequate to assure that recipients have reasonable access, taking into account geographic location and reasonable travel time, to inpatient hospital services of adequate quality. _____
4. 447.253 (b) (2) - The proposed payment rate will not exceed the upper payment limits as specified in 42 CFR 447.272:
- a. 447.272 (a) - Aggregate payments made to each group of health care facilities (hospitals, nursing facilities, and ICFs/MR) will not exceed the amount that can reasonably be estimated would have been paid for those services under Medicare payment principles. _____
- b. 447.272 (b) - Aggregate payments to each group of State-operated facilities (that is, hospitals, nursing facilities, and ICFs/MR) - - when considered separately - - will not exceed the amount that can reasonably be estimated would have been paid for under Medicare payment principles. _____
- If there are no State-operated facilities, please indicate "not applicable:" _____
- c. 447.272 (c) - Aggregate disproportionate share hospital (DSH) payments do not exceed the DSH payment limits at 42CFR 447.296 through 447.299.
- d. Section 1923 (g) _ DSH payments to individual providers will not exceed the hospital-specific DSH limits in section 1923(g) of the Act. _____

B. State Assurances. The State makes the following additional assurances:

1. For hospitals - -
- a. 447.253 (c) - In determining payment when there has been a sale or transfer of the assets of a hospital, the State's methods and standards provide that payment rates can reasonably be expected not to increase in the aggregate solely as a result of changes of ownership, more than payments would increase under Medicare under 42 CFR 413.130, 413.134, 413.153 and 413.157 insofar as these sections affect payment for depreciation, interest on capital -indebtedness, return on equity)if applicable), acquisition costs for which payments were previously made to prior owners, and the recapture of depreciation.

3. 447.253 (e) - The State provides for an appeals or exception procedure that allows individual providers an opportunity to submit additional evidence and receive prompt administrative review, with respect to such issues as the State determines appropriate, of payment rates.
4. 447.253 (f) - The State requires the filing of uniform cost reports by each participating provider.
5. 447.253 (g) - The State provides for periodic audits of the financial and statistical records of participating providers.
6. 447.253 (h) - The State has complied with the public notice requirements of 42 CFR 447.205.

Notice published on:

April 30, 1996

If no date is shown, please explain:

7. 447.253 (i) - The State pays for inpatient hospital services using rates determined in accordance with the methods and standards specified in the approved State plan.

C. Related Information

1. 447.255 (a) - NOTE: If this plan amendment affects more than one type of provider (e.g., hospital, NF, and ICF/MR; or DSH payments) provide the following rate information for each provider type, or the DSH payments. You may attach supplemental pages as necessary.

Provider Type: Hospital

For hospitals: The Missouri Hospital Plan includes DSH payments in the estimated average rates. However, the DSH payments included in the estimated average rates do not represent the total DSH payments made to hospitals under the Missouri Medicaid Plan.

RH-DSH included

Estimated average proposed payment rate as a result of this amendment:
\$629.34

Average payment rate in effect for the immediately preceding rate period:
\$629.34

Amount of change: \$0.00 Percent of change: 0.00%

2. 447.255 (b) - Provide an estimate of the short-term and, to the extent feasible, long-term effect the change in the estimated average rate will have on:
- (a) The availability of services on a statewide and geographic area basis:
This amendment will not effect the availability of short-term or long-term services.
 - (b) The type of care furnished: This amendment will not effect hospital services furnished to Medicaid eligibles.
 - (c) The extent of provider participation: This amendment will assure recipients have reasonable access taking into account geographic location and reasonable travel time to inpatient hospital services.
 - (d) For hospitals - - the degree to which costs are covered in hospitals that serve a disproportionate number of low income patients with special needs:
It is estimated that disproportionate share hospitals will receive 100% of its Medicaid cost for low income patients with special needs.

Rev 2 (4/12/95)

Eff MAY 30 1996

App SEP 20 1996

APPENDIX

Findings, Assurances, Related Information

Findings and Assurances

In conformity with the Title 42 CFR S 447.253(a) and (b), the Department of Social Services/Division of Medical Services (DSS/DMS) makes the following findings and assurances:

- o Inpatient hospital facility rates of payment have been found to be reasonable and adequate to meet the costs that must be incurred by efficiently and economically operated providers to provide services in conformity with applicable State and Federal laws, regulations, and quality and safety standards.
- o The methods and standards used to determine payment rates take into account the situation of hospitals which serve a disproportionate number of low income patients with special needs.
- o The methods and standards used to determine payment rates provide that reimbursement of hospital patients receiving services at an inappropriate level of care under conditions similar to those described in section 1861(v)(1)(G) of the Act will be made at lower rates, reflecting the level of care actually received, in a manner consistent with section 1861(v)(1)(G).
- o The payment rates are adequate to assure that recipients have reasonable access, taking into account geographic location and reasonable travel time, to inpatient hospital services of adequate quality.
- o The estimated weighted average proposed payment rate is reasonably expected to pay no more in the aggregate for inpatient services to non state-operated facilities than the amount that the agency reasonably estimates would be paid for the services under the Medicare principles of reimbursement.
- o The estimated weighted average proposed payment rate is reasonably expected to pay no more in the aggregate for inpatient services to state-operated facilities than the amount that the agency reasonably estimates would be paid for the services under the Medicare principles of reimbursement.
- o The payment methodology used by the State for payments to hospitals for medical assistance beginning November 1, 1990, can reasonably be expected not to increase payments solely as a result of a change of ownership in excess of the increase which would result from application of 42 U.S.C. 1861(v)(1)(O) of the Social Security Act for all changes of ownership which occur on or after July 18, 1984, except for those changes made pursuant to an enforceable agreement executed prior to that date.

State Plan TN# 92-10
Supersedes TN# _____

Effective Date April 18, 1992
Approval Date Jan 21, 1993

- o DSS/DMS provides hospitals with an appeals or exception procedure that allows individual providers an opportunity to submit additional evidence and receive prompt administrative review of payment rates with respect to such issues as DSS/DMS determines appropriate.
- o DSS/DMS requires the filing of uniform cost reports by each participating provider.
- o DSS/DMS provides for periodic audits of the financial and statistical records of participating providers.
- o DSS/DMS published prior notice of said change in the Missouri Register prior to the effective implementation of the change.
- o DSS/DMS pays for inpatient hospital services using rates determined in accordance with methods and standards specified in the approved State Plan.
- o Aggregate payments which are made for inpatient services to state-operated hospitals, when considered separately, do not exceed the amount that can reasonably be estimated would have been paid under Medicare payment principles.

Related Information

In conformity with Title 42 CFR Section 447.255, DSS/DMS is submitting with the findings and assurances the following related information:

- o The estimated weighted average proposed payment rate for inpatient hospital care for in-state facilities, including disproportionate share providers and excluding state mental health facilities, out-of-state and federally operated in-state hospitals, is \$429.49 per day. This amendment will increase the average weighted payment rate to \$433.03.
- o The proposed payment rate for inpatient hospital care provided by out-of-state and in-state federally operated hospitals is \$345.13 per day. This amendment does not alter the per diem rate for any hospital, consequently, there is no change in the average weighted payment rate.
- o DSS/DMS does not anticipate that this amendment will have any long-term impact on the availability of services, type of care furnished, or the extent of provider participation on a statewide or geographic area basis.
- o Those hospitals which meet the definition of a disproportionate share provider as set forth in the approved State Plan, will receive a rate adjustment. Based on additional information relating to Title XIX utilization and costs submitted by these providers, rate increases are granted which facilitate reimbursement of a greater percentage of Title XIX costs than that allowed non-disproportionate share providers.

State Plan TN# 92-10
Supersedes TN# _____

Effective Date April 18, 1992
Approval Date Jan 24, 1993

o Section V.F.3.(d), page 12, of the State's Inpatient Hospital Reimbursement Plan provides that a change in ownership/management of a hospital is not subject to review for rate reconsideration. Under the State's current methodology, hospital payment rates do not increase as a result of a change in ownership.

State Plan TN# 92-10
Supersedes TN# _____

Effective Date April 18, 1992
Approval Date Jan 21, 1993